



# Reasons for an initiative on Energy Services

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- **Large energy savings potential in sectors**
- **DSM is an alternative to new capacity**
- **Helps Meet EU Kyoto and Security of Supply Goals**
- **Helps to Complete the Internal Energy Market**
- **Addresses Public Service Obligations**



## Objectives of the proposed initiative 1(2)

- **The Creation of a Viable Market for DSM by:**
  - **Providing incentives/obligations for Member States to establish the conditions, institutions and framework that will:**
    - **increase the demand for energy services, especially from households & SME's.**
    - **increase and improve the supply, quality and reliability of energy services from energy suppliers, installers, consultants, etc.**



## Objective of the proposed initiative 2(2)

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- To provide special incentives/obligations for energy suppliers, including distributors, to increase and improve the supply of energy services



## Scope of the proposed initiative 1(4)

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- **To promote measures to bring down transaction costs, especially for smaller customers.**
- **To ensure the availability of reliable information and advice on energy costs and available energy- efficient technology and systems (including their life cycle costs).**
- **To promote informative billing and auditing.**



## Scope of the proposed initiative 2(4)

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- **To ensure/ guarantee investment results through performance contracting, certification and definition of energy-efficient measures, etc.**
- **To improve financing for smaller customers, using TPF, etc.**
- **To harmonise definitions and conditions to facilitate application of State Aid Guidelines for Environmental Protection and (later) Trading**



## Scope of the proposed initiative 3 (4)

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- **To use the unique position of energy distributors to obtain information on the real demand for their customers' energy service needs, i.e. for heating, cooling, lightning and motive power, instead of for kWh.**
- **To encourage the use of de-coupling and tariff structures, revenue caps, cost recovery, etc to work against maximising sales of kWh.**
- **To increase the supply of energy services from all qualified/certified interested actors.**



## Scope of the proposed initiative 4 (4)

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- **To use mandatory labelling, minimum efficiency standards, technical performance standards, etc. more fully.**
- **To use existing DSM infrastructure (e.g., advice centres of energy companies) and knowledge) as much.**



# Potential issues

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- 1 How and by whom can energy efficiency savings targets be set, and what quantitative targets are realistic ?**
- 2 How can the savings be made measurable?**
- 3 Should there be a target for a minimum level of investments?**
- 4 Can Voluntary Agreements play a role?**





# Additional remarks

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**Written comments are welcome:**

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